RNS Number : 9248T
Travis Perkins PLC
05 August 2025

5 August 2025

Travis Perkins plc, the UK's largest distributor of building materials, announces its half year results for the 6 months to 30 June 2025

Focus on stabilising business performance

- Group revenue declined by (2.1)% driven primarily by operational challenges in the early part of the year
- Actions to drive volume in Merchanting taking effect, with Merchanting like-for-like sales (1.0)% in Q2 (versus (3.2)% in Q1) and market share decline arrested
- Proactive management of overheads to mitigate cost inflation and increased employer national insurance contributions
- Further progress in Toolstation UK with operating profit increasing 50% to £21m
- Overall, lower volumes in Merchanting resulted in adjusted operating profit of £63m (2024: £83m)
- Statutory operating profit of £59m (2024: £48m)
- The Group expects to deliver a full year adjusted operating profit (including £8m of property profits) broadly in line with current market expectations*
- New leadership structures implemented and highly experienced CEO, Gavin Slark, to join the Group on 1 Jan 2026

Continued strong progress on cash generation

- Net debt before leases reduced by a further £88m to £103m driven by substantial working capital inflow and proceeds from sale of Staircraft
- Net debt / adjusted EBITDA reduced by 0.4x to 2.3x through working capital improvements, discipline on capital investment and exit of Toolstation France

£m *(unless otherwise stated)*	*Note*	**H1 2025**	H1 2024 (re-presented[2])	*Change*
Revenue	*2*	**2,300**	2,349	*(2.1)%*
Adjusted operating profit excluding property profits[1]	*18c*	**62**	80	*(22.5)%*
Adjusted operating profit[1]	*18a*	**63**	83	*(24.1)%*
Adjusted earnings per share[1]	*10b*	**13.3p**	19.9p	*(33.2)%*
Return on capital employed[1]	*18d*	**4.9%**	5.6%	*(0.7)ppt*
Net debt / adjusted EBITDA[1]	*18b*	**2.3x**	2.7x	0.4x
Ordinary dividend per share	*11*	**4.5p**	5.5p	*(18.2)%*
Operating profit		**59**	48	*22.9%*
Profit after tax		**26**	16	*62.5%*
Basic earnings per share	*10a*	**12.5p**	7.4p	*68.9%*

(1) Alternative performance measures are used to describe the Group's performance. Details of calculations can be found in the notes listed.

(2) For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

** Company compiled consensus published as at 29 July 2025 showed FY25 adjusted operating profit (including property profits) with a range of £135m to £148m and a mean of £141m See link: https://www.travisperkinsplc.co.uk/investors/analyst-consensus/*

Chair Geoff Drabble, commented:

"The first quarter was difficult with a continued trend of market share loss and revenue decline in Merchanting. However, I was encouraged by the response of the business to management actions to drive a more customer-focused approach. In the second quarter we delivered improved revenue performance and stabilised Merchanting market share and these trends have continued into July.

We will build on this momentum in the second half as we deploy further system enhancements that put the difficult Oracle implementation behind us. The strong performance of Toolstation UK, which operates in similar markets to the Group's other businesses, demonstrates our potential without internal distractions.

Whilst the market outlook for the second half remains uncertain, the Board anticipates that the Group will deliver a full year result broadly in line with current market expectations*."

Analyst Presentation

Management are hosting a results presentation at 8.30am. For details of the event please contact the Travis Perkins Investor Relations team as below. The presentation will also be available via a listen-only webcast - please register at the following link:

https://travis-perkins-2025-half-year-results-presentation.open-exchange.net/

Enquiries:

Travis Perkins
Matt Worster
+44 (0) 7990 088548
matt.worster@travisperkins.co.uk

FGS Global
Faeth Birch / Jenny Davey / James Gray
+44 (0) 207 251 3801
TravisPerkins@fgsglobal.com

** Company compiled consensus published as at 29 July 2025 showed FY25 adjusted operating profit (including property profits) with a range of £135m to £148m and a mean of £141m See link: https://www.travisperkinsplc.co.uk/investors/analyst-consensus/*

H1 2025 Performance

The Group delivered revenue of £2,300m, down (2.1)% versus prior year. The decline in revenue was driven by the Merchanting segment with activity across the majority of end markets remaining subdued. Toolstation delivered a robust revenue performance with further market share gains as maturity benefits continue to come through.

Adjusted operating profit of £63m was £(20)m, or (24)%, lower than the first half of 2024. The following key factors impacted on operating profit during the first half of the year:

- £(18)m decline in gross profit which was primarily driven by lower trading volumes, greater promotional activity and one less trading day in the Merchanting businesses.
- Overheads were in line with prior year as cost inflation and increased employer national insurance contributions were mitigated by proactive cost management
- Property profits were £(2)m lower than prior year.

Leadership and structures

Following the departure of Pete Redfern in March 2025, the Group has appointed Gavin Slark as CEO with Gavin due to join the business on 1 Jan 2026. Gavin is a highly experienced public company CEO with significant experience of the building materials and merchanting industry having been CEO of SIG plc since 2023. Prior to this he was CEO of Grafton Group plc (2011-22) and CEO of The BSS Group plc (2006-11) before its acquisition by Travis Perkins plc.

The Group has implemented a new operating structure for the Specialist Merchant businesses - BSS, CCF, Keyline and TF Solutions - which now all report into a Specialist Merchant Managing Director, sitting on the Group Leadership Team, with Catherine Gibson appointed to the role. Managing Directors have also now been appointed in all of the Specialist businesses.

In Toolstation UK, Lakhvir Sanghera has been appointed as Managing Director, following the upcoming retirement of Angela Rushforth, while Richard Lavin has taken up the role as Managing Director of Travis Perkins General Merchant. Catherine, Lakhvir and Richard have extensive industry experience, having all been with the Group for over a decade.

Balance sheet

The Group has made further strong progress on strengthening the balance sheet during the first half, with overall net debt reducing by £135m and net debt before leases reducing by £88m. Accordingly, despite the further reduction in adjusted operating profit, leverage (net debt / adjusted EBITDA) has reduced to 2.3x. Over the past 18 months management actions have unlocked over £250m of capital to fund restructuring activity and reduce net debt by £212m. The Group remains focused on returning leverage to its target range of 1.5 - 2.0x as soon as is practically possible.

Dividend

The Board is recommending an interim dividend of 4.5 pence per share (2024: interim dividend of 5.5 pence per share), in line with the Group's policy to pay a dividend of 30-40% of adjusted earnings. The dividend will be paid on 7 November 2025 to shareholders on the register as at close of business on 3 October 2025.

Outlook

Whilst the Group continues to make progress on actions to stabilise performance, end market demand remains subdued and the timing of a recovery in the UK construction sector is uncertain. Given this demand backdrop, the Group expects to deliver a full year adjusted operating profit (including £8m of property profits) broadly in line with current market expectations*

Technical guidance

The Group's technical guidance for 2025 is as follows:

- Expected ETR of around 30% on UK generated profits
- Base capital expenditure of around £80m
- Property profits of £8m

Adjusting items

There were no material adjusting items in the period. In H1 2024 there were £30m of adjusting items primarily related to Group restructuring, supply chain consolidation and the closure of 39 standalone Benchmarx branches.

** Company compiled consensus published as at 29 July 2025 showed FY25 adjusted operating profit (including property profits) with a range of £135m to £148m and a mean of £141m See link: https://www.travisperkinsplc.co.uk/investors/analyst-consensus/*

Segmental performance

Merchanting

	H1 2025	H1 2024	*Change*
Revenue	**£1,882m**	£1,942m	*(3.1)%*
Adjusted operating profit	**£63m**	£91m	*(30.8)%*
Adjusted operating margin	**3.4%**	4.7%	*(130)bps*
ROCE (12 month rolling)	**6%**	8%	*(2)ppt*
Branch network*	**724**	724	-

** 2024 branch network figures for comparison are taken at 31 December 2024*
Note - all figures above exclude property profits

Trading conditions in the majority of the Merchanting segment's end markets remained subdued which, allied to a loss of market share in the first quarter and a (1.0)% impact from one fewer trading day, saw revenue down by (3.1)% in the first half. Overall pricing was broadly flat as modest manufacturer increases were offset by a competitive trading environment.

Management implemented a series of actions seeking to reverse the loss of market share, including targeted promotions and incentives and the addition of resources back into customer-facing roles to improve service levels. These actions have improved the trading performance with Q2 like-for-like revenue down (1.0)% compared to a decline of (3.2)% in Q1. This continues a trend of improving performance in the Merchanting businesses post significant leadership and technology changes as shown below:

	Merchanting like-for-like revenue
Q1 2024	(4.2)%
Q2 2024	(7.9)%
Q3 2024	(8.2)%
Q4 2024	(6.8)%
Q1 2025	(3.2)%
Q2 2025	(1.0)%

Adjusted operating profit reduced by (31)% to £63m with adjusted operating margin decreasing by (130)bps. Whilst costs in the Merchanting businesses were well controlled, profitability was impacted by further volume decline and pressure on gross margin in a highly competitive environment.

Merchanting sales through the yard (around 80% of revenue) returned to growth of 2%** in Q2 (flat** for the first half overall) while direct-to-customer sales (around 20% of revenue) were in notable decline, down (11)%** in the first half. The challenges with direct sales arose after the implementation of Oracle in 2024. Significant progress has been made through an increased focus on training and a resolution of the invoice backlog which has eased the burden on front-line colleagues. Further technology fixes are now being deployed to enhance direct sales functionality and provide the same level of flexibility in service that existed prior to Oracle.

*** Trading day adjusted*

There was minimal change to the Merchanting network in the first half, reflecting disciplined capital investment in a challenging market environment, but also a clear focus on protecting operational capacity and capability to ensure that the business is able to fully benefit from a future market recovery.

In May, the Group sold its specialist floor kit, i-joist and staircase manufacturer Staircraft to Gait Consulting for provisional cash consideration of £24m. This sale was part of a continued focus on simplifying the Group's operating model.

Toolstation

	H1 2025	H1 2024 (re-presented)	*Change*
Revenue	**£418m**	£407m	*2.7%*
Like-for-like growth	**2.9%**	0.6%	
Adjusted operating profit - UK	**£21m**	£14m	*50.0%*
Adjusted operating profit - Europe	**£(6)m**	£(7)m	*14.3%*
Adjusted operating profit - Total	**£15m**	**£7m**	***114.3%***
Adjusted operating margin	**3.6%**	1.7%	*190bps*
ROCE (12-month rolling)	**5%**	2%	*3ppt*
Branch network (UK)*	**591**	587	*4*
Branch network (Europe)*	**109**	110	*(1)*

** 2024 branch network figures for comparison are taken at 31 December 2024*
Note - all figures above exclude property profits and are for continuing businesses only. The Toolstation France business is treated as a discontinued operation.

UK

Toolstation UK delivered another strong performance in the first half with further market share gains as sales were up 5%**, driven by modest price inflation and good volume growth. Network expansion continues at a steady pace with the network increasing by four stores in the first half and expected to increase by around ten stores for the full year.

UK adjusted operating profit grew by 50% to £21m, with operating margin expanding by 180bps to 5.7% driven by further improvements in the gross margin mix and supply chain efficiencies.

Benelux

Toolstation Benelux generated losses of £(6)m in the first half, a slight improvement on the prior year. Whilst store generated sales (on a like-for-like basis) were up 6% and overheads well controlled, planned work to significantly upgrade the Benelux customer website during the first half caused significant disruption to trading with online sales down by (22)% during the period. With the enhanced website now fully operational performance is expected to improve in the second half, albeit the Dutch and Belgian markets remain similarly subdued to the UK.

*** Trading day adjusted*

Financial Performance

Revenue analysis

Revenue analysis

Pricing has stabilised in the Merchanting business after a prolonged period of deflation but volumes remain subdued. There was one fewer trading day than in the prior year.

Toolstation delivered good like-for-like volume growth as the business continues to mature and enhance its customer proposition. The growth from new stores in the UK was broadly offset by the closure of underperforming stores in Benelux in the prior year.

Volume, price and mix analysis

	Merchanting	Toolstation	Group
Price and mix	(0.3)%	1.3%	0.0%
Like-for-like volume	(1.8)%	1.6%	(1.2)%
Like-for-like revenue growth / (decline)	**(2.1)%**	**2.9%**	**(1.2)%**
Network changes and acquisitions / disposals	0.0%	0.3%	0.0%
Trading days	(1.0)%	(0.5)%	(0.9)%
Total revenue growth / (decline)	**(3.1)%**	**2.7%**	**(2.1)%**

Quarterly revenue analysis

Note that all information in the table below has been restated to remove the impact of Toolstation France.

		Total revenue		Like-for-like revenue	
		2025	**2024**	**2025**	**2024**
Merchanting	Q1	(3.5)%	(6.0)%	(3.2)%	(4.2)%
	Q2	(2.7)%	(5.7)%	(1.0)%	(7.9)%
	H1	**(3.1)%**	**(5.8)%**	**(2.1)%**	**(6.1)%**
Toolstation	Q1	2.8%	0.9%	3.7%	(1.2)%
	Q2	2.7%	3.6%	2.3%	2.4%
	H1	**2.7%**	**2.3%**	**2.9%**	**0.6%**
Total Group	Q1	(2.4)%	(4.9)%	(2.1)%	(3.5)%
	Q2	(1.8)%	(4.2)%	(0.5)%	(6.2)%
	H1	**(2.1)%**	**(4.5)%**	**(1.2)%**	**(4.9)%**

Operating profit reconciliation

£m	**H1 2025**	H1 2024 (re-presented)	Change
Merchanting	63	91	*(30.8)%*
Toolstation	15	7	*114.3%*
Property	1	3	*(66.7)%*
Unallocated costs	(16)	(18)	*11.1%*
Adjusted operating profit	**63**	**83**	***(24.1)%***
Amortisation of acquired intangible assets	*(5)*	*(5)*	
Adjusting items	1	*(30)*	
Operating profit	**59**	**48**	

Note - For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

Property

The Group generated property profits of £1m in the first half of the year, with £10m of cash proceeds (2024: £18m).

Finance charge

Net finance charges were in line with prior year (see note 6 for details).

Taxation

The tax charge before adjusting items was £13m (2024: £19m) giving an adjusted effective tax rate (adjusted 'ETR') of 32.2% (standard rate: 25.0%, 2024 re-presented: 31.0%). The adjusted ETR rate is higher than the standard rate due to the effect of expenses not deductible for tax purposes, the largest item being unutilised overseas losses. The statutory tax charge for the six months to 30 June 2025 was £11m (2024: £11m) giving an effective tax rate of 29.1% (2024 re-presented: 43.0%).

Earnings per share

The Group reported a profit after tax from continuing operations of £26m (2024: £16m), resulting in basic earnings per share of 12.5 pence (2024: 7.4 pence). Diluted basic earnings per share from continuing operations were 12.4 pence (2024: 7.3 pence).

Adjusted profit after tax was £28m (2024: £42m), resulting in adjusted earnings per share of 13.3 pence

Adjusted profit after tax was £28m (2024: £42m), resulting in adjusted earnings per share of 13.3 pence (2024: 19.9 pence). Diluted adjusted earnings per share were 13.2 pence (2024: 19.6 pence).

Cash flow and balance sheet

Free cash flow

£m	H1 2025	H1 2024 (re-presented)	Change
Group adjusted operating profit excluding property profits	**62**	**80**	**(18)**
Depreciation of PPE and other non-cash movements	40	49	(9)
Change in working capital	71	53	18
Net interest paid (excluding lease interest)	(13)	(14)	1
Interest on lease liabilities	(15)	(15)	0
Tax paid	(17)	(21)	4
Adjusted operating cash flow	**128**	**132**	**(4)**
Capital investment			
Capex excluding freehold transactions	(32)	(29)	(3)
Proceeds from disposals excluding freehold transactions	-	1	(1)
Free cash flow before freehold transactions	**96**	**104**	**(8)**

Note - For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

Working capital decreased significantly in the first half due to a substantial reduction in creditors. This was primarily due to the normalisation of supplier payments arising from the cutover challenges of moving onto Oracle in the prior year. Debtors were broadly flat as good progress on collecting overdue debt, also resulting from the Oracle implementation, was offset by a typical seasonal build of the debtor book. Stock management remains disciplined with holdings in line with year-end.

Capital investment

£m	H1 2025	H1 2024 (re-presented)
Strategic	15	10
Maintenance	16	15
IT	1	4
Base capital expenditure	**32**	**29**
Freehold property	13	10
Gross capital expenditure	**45**	**39**
Disposals	(11)	(18)
Net capital expenditure	**34**	**21**

Note - For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

Base capital expenditure was broadly in line with prior year as the business continues to adopt a disciplined approach.

Reconciliation of free cash flow to change in cash and cash equivalents

£m	H1 2025	H1 2024 (re-presented)	Change
Free cash flow	**96**	**104**	**(8)**
Investments in freehold property	(13)	(10)	(3)
Disposal proceeds from freehold transactions	10	18	(8)
Dividends paid	(19)	(12)	(7)
Business disposal	24	-	24
Cash payments on adjusting items	(2)	(10)	8
Other	(8)	(8)	-
Change in cash and cash equivalents	**88**	**82**	**6**

Note - For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

Cash and cash equivalents increased by £88m in the half, driven by working capital improvements, disciplined capital allocation and £24m from the sale of Staircraft in May. In both current and prior year, other items consist primarily of cash payments related to the closure of Toolstation France (which is classified as a discontinued operation).

Net debt and funding

	30 Jun 2025	31 Dec 2024	Change	Covenant
Net debt	**£710m**	£845m	£135m	
Net debt / adjusted EBITDA	**2.3x**	2.5x	0.2x	<4.0x
Net debt before leases	**£103m**	£191m	£88m	
Net debt before leases / adjusted EBITDA	[illegible]	[illegible]	[illegible]	

Net debt before leases / adjusted EBITDA	**0.3x**	0.6x	0.3x

Note - All covenant metrics measured post IFRS16. Leverage metrics are calculated on a 12-month rolling basis.

Net debt has reduced by £135m from year-end, with net debt before leases reducing by £88m due to the cash inflow shown on the previous page. Lease commitments reduced by £47m in part due to the timing of renewals but also due to the exit of Toolstation France properties and Staircraft's manufacturing facilities.

Leverage reduced 0.2x compared to year-end despite a (9)% reduction in 12-month rolling EBITDA (see note 18b).

Funding

In March 2025 the Group issued £125m of US private placement notes with the proceeds used to fund a tender offer to repurchase £125m of the Group's guaranteed notes at par.

As at 30 June 2025, the Group's committed funding of £800m comprised:

- £125m guaranteed notes due February 2026, listed on the London Stock Exchange
- £75m bilateral bank loan due August 2027
- A revolving credit facility of £375m, refinanced in November 2023 and maturing in November 2028
- £225m of US private placement notes, maturing in tranches between 2028 and 2035

As at 30 June 2025, the Group had undrawn committed facilities of £390m (31 December 2024: £390m) and deposited cash of £289m (31 December 2024: £200m), giving overall liquidity headroom of £679m (31 December 2024: £590m).

Principal risks and uncertainties

The uncertainty in the global and national external environment, both economic and geopolitical, remains challenging and continues to impact on the Group's risk landscape. The effectiveness of existing monitoring and mitigating activities, along with the consideration of new approaches continues to be reviewed to maintain the Group's resilience and support delivery of its strategic objectives.

In their latest review of the principal risks and uncertainties facing the Group, the Directors have considered internal and external factors that are currently influencing the risk set and the extent to which these factors change their assessment of the scale of the risk and the expected risk trend for the remainder of the financial year. The key risks facing the Group and the underlying drivers of these risks remain broadly consistent with those described on pages 59 to 69 of the 2024 Annual Report & Accounts. Details are provided for inherent risks relating to long-term market trends, macroeconomic volatility, managing change, climate change & carbon reduction, cyber threat & data security, supply chain resilience, health, safety & wellbeing, legal compliance and critical asset failure.

The Group continues to actively manage, where possible, the challenges presented by macroeconomic volatility, and maintains its view that the inherent risk is high in light of heightened geopolitical tension, escalating tariffs and trade policy friction and increased volatility in financial markets. It is recognised that the potential impact and duration of wider macroeconomic factors remains highly uncertain and this is expected to continue throughout the remainder of 2025.

In relation to emerging risks, the Group continues to monitor risks across significant areas such as technology, ESG and people, and the potential impact on achievement of strategic objectives.

Condensed consolidated income statement

£m	Notes	**Six months ended 30 June 2025 (unaudited)**	Six months ended 30 June 2024 (unaudited) (re-presented[1])	Year ended 31 December 2024 (audited)
Revenue	2	**2,299.5**	2,348.6	4,607.4
Cost of sales		**(1,692.8)**	(1,724.4)	(3,403.7)
Gross profit		**606.7**	624.2	1,203.7
Charge for impairment losses for trade receivables		**(9.1)**	(6.6)	(16.7)
Selling and distribution		**(400.6)**	(385.5)	(779.2)
Administrative expenses - other		**(135.8)**	(153.4)	(271.3)
Profit on disposal of properties		**1.0**	2.7	11.3
Other operating income		**1.2**	1.8	4.0

Adjusted operating profit		**63.4**	83.2	151.8
Administrative expenses - amortisation of acquired intangible assets		**(5.2)**	(5.2)	(10.4)
Administrative expenses - adjusting items	3	**1.0**	(29.6)	(139.1)
Operating profit		**59.2**	48.4	2.3
Finance income	6	**7.5**	5.1	11.1
Finance costs	6	**(29.6)**	(26.9)	(51.8)
Profit before tax		**37.1**	26.6	(38.4)
Tax	7	**(10.7)**	(10.9)	(2.2)
Profit / (loss) from continuing operations		**26.4**	15.7	(40.6)
Profit / (loss) from discontinuing operations		**-**	(11.0)	(36.8)
Profit / (loss) for the year		**26.4**	4.7	(77.4)
Earnings per share				
Basic earnings per share				
- from continuing operations	10(a)	**12.5p**	7.4p	(19.2)p
- total	10(a)	**12.5p**	2.2p	(36.6)p
Diluted earnings per share				
- from continuing operations	10(a)	**12.4p**	7.3p	(19.2)p
- total	10(a)	**12.4p**	2.2p	(36.6)p
Adjusted basic earnings per share	10(b)	**13.3p**	14.7p	36.6p
Total dividend declared per share	11	**4.5p**	5.5p	14.5p

[1] Figures for the period ended 30 June 2024 have been re-presented to exclude the results of the Toolstation France business, which is now presented as a discontinued operation.

All profit / (loss) is attributable to the owners of the Company.

Condensed consolidated statement of comprehensive income

£m	**Six months ended 30 June 2025 (unaudited)**	Six months ended 30 June 2024 (unaudited) (re-presented)	Year ended 31 December 2024 (audited)
Profit / (loss) for the period	**26.4**	4.7	(77.4)
Items that will not be reclassified subsequently to profit and loss:			
Actuarial gains / (losses) on defined benefit pension schemes (note 8)	**8.3**	8.5	35.1
Income taxes relating to other comprehensive income	**(2.1)**	(2.6)	(9.5)
Items that may be reclassified subsequently to profit and loss:			
Foreign exchange differences on retranslation of foreign operations	**2.4**	(3.5)	(2.3)
Fair value gains on cash flow hedges	**2.0**	1.1	0.4
Deferred tax on cash flow hedges	**(0.3)**	(0.3)	(0.1)
Other comprehensive gain for the period net of tax	**10.3**	3.2	23.6
Total comprehensive income / (loss) for the period	**36.7**	7.9	(53.8)

Total comprehensive income / (loss) for the year attributable to the owners of the Company arises from:

Continuing operations	**36.7**	19.2	(16.9)
Discontinued operations	-	(11.3)	(36.9)
	36.7	7.9	(53.8)

All other comprehensive income is attributable to the owners of the Company.

Condensed consolidated balance sheet

£m	**As at 30 June 2025 (unaudited)**	As at 30 June 2024 (unaudited)	As at 31 December 2024 (audited)
ASSETS			
Non-current assets			
Goodwill	**823.5**	846.7	821.3

£m	As at 30 June 2025 (unaudited)	As at 30 June 2024 (unaudited)	As at 31 December 2024 (audited)
ASSETS			
Non-current assets			
Goodwill	**828.5**	846.7	821.3
Other intangible assets	**79.2**	93.3	86.9
Property, plant and equipment	**744.0**	835.6	771.1
Right-of-use assets	**520.9**	556.0	545.4
Non-current prepayments	**13.8**	15.8	15.3
Deferred tax asset	**18.5**	17.2	17.5
Derivative financial instruments (note 15)	**1.5**	4.2	3.3
Retirement benefit asset (note 8)	**125.3**	111.9	116.9
Total non-current assets	**2,331.7**	2,480.7	2,377.7
Current assets			
Inventories	**646.4**	669.7	648.6
Trade and other receivables	**767.4**	746.1	760.5
Tax assets	**5.3**	19.5	-
Cash and cash equivalents	**319.3**	213.6	244.4
Total current assets	**1,738.4**	1,648.9	1,653.5
Total assets	**4,070.1**	4,129.6	4,031.2
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	**23.8**	23.8	23.8
Share premium account	**545.6**	545.6	545.6
Cash flow hedge reserve	**4.2**	4.0	2.5
Merger reserve	**326.5**	326.5	326.5
Revaluation reserve	**9.1**	10.2	9.5
Own shares	**(2.8)**	(7.9)	(7.2)
Foreign exchange reserve	**8.5**	4.9	6.1
Capital redemption reserve	**1.4**	1.4	1.4
Retained earnings	**1,078.3**	1,133.2	1,065.9
Total equity	**1,994.6**	2,041.7	1,974.1
Non-current liabilities			
Interest-bearing loans and borrowings	**296.7**	446.6	421.8
Lease liabilities	**525.4**	540.2	560.1
Deferred tax liabilities	**67.0**	89.8	68.3
Long-term provisions	**20.8**	10.5	21.6
Total non-current liabilities	**909.9**	1,087.1	1,071.8
Current liabilities			
Interest-bearing loans and borrowings (note 12)	**125.0**	-	-
Lease liabilities	**81.8**	94.9	94.5
Overdraft	**-**	-	13.2
Trade and other payables	**924.0**	874.5	838.2
Short-term provisions	**34.8**	31.4	39.4
Total current liabilities	**1,165.6**	1,000.8	985.3
Total liabilities	**2,075.5**	2,087.9	2,057.1
Total equity and liabilities	**4,070.1**	4,129.6	4,031.2

The interim condensed financial statements of Travis Perkins plc, registered number 824821, were approved by the Board of Directors on 5 August 2025 and signed on its behalf by:

Geoff Drabble
Chair

Duncan Cooper
Chief Financial Officer

Condensed consolidated statement of changes in equity

£m	Share capital	Share premium	Cash flow hedge reserve	Merger reserve	Revaluation reserve	Capital redemption reserve	Own shares	Foreign exchange	Retained earnings	**Total equity**
At 1 January 2025 (audited)	23.8	545.6	2.5	326.5	9.5	1.4	(7.2)	6.1	1,065.9	**1,974.1**
Profit for the period	-	-	-	-	-	-	-	-	26.4	**26.4**
Other comprehensive income for the period	-	-	1.7	-	-	-	-	2.4	6.2	**10.3**
Total comprehensive income for the period	-	-	1.7	-	-	-	-	2.4	32.6	**36.7**
Dividends paid	-	-	-	-	-	-	-	-	(19.1)	**(19.1)**
Own shares movement	-	-	-	-	-	-	4.4	-	(4.4)	**-**
Equity-settled share-based payments	-	-	-	-	-	-	-	-	2.9	**2.9**
Adjustments in respect of revalued fixed assets	-	-	-	-	(0.4)	-	-	-	0.4	**-**
Tax on equity-settled share-based payments	-	-	-	-	-	-	-	-	(0.1)	**(0.1)**
Tax on revalued assets	-	-	-	-	-	-	-	-	0.1	**0.1**
At 30 June 2025 (unaudited)	**23.8**	**545.6**	**4.2**	**326.5**	**9.1**	**1.4**	**(2.8)**	**8.5**	**1,078.3**	**1,994.6**

£m	Share capital	Share premium	Cash flow hedge reserve	Merger reserve	Revaluation reserve	Capital redemption reserve	Own shares	Foreign exchange	Retained earnings	Total equity
At 1 January 2024 (audited)	23.8	545.6	2.9	326.5	10.8	1.4	(14.1)	8.4	1,135.0	2,040.3
Loss for the period	-	-	-	-	-	-	-	-	4.7	4.7
Other comprehensive income for the period	-	-	1.1	-	-	-	-	(3.5)	5.6	3.2
Total comprehensive income for the period	-	-	1.1	-	-	-	-	(3.5)	10.3	7.9
Dividends paid	-	-	-	-	-	-	-	-	(11.6)	(11.6)
Own shares movement	-	-	-	-	-	-	6.1	-	(6.1)	-
Sale of own shares	-	-	-	-	-	-	0.1	-	-	0.1
Equity-settled share-based payments	-	-	-	-	-	-	-	-	5.9	5.9
Exercise of options over non-controlling interest	-	-	-	-	-	-	-	-	(1.1)	(1.1)
Adjustments in respect of revalued fixed assets	-	-	-	-	(0.6)	-	-	-	0.6	-
Tax on equity-settled share-based payments	-	-	-	-	-	-	-	-	0.1	0.1
Tax on revalued assets	-	-	-	-	-	-	-	-	0.1	0.1
At 30 June 2024 (unaudited)	23.8	545.6	4.0	326.5	10.2	1.4	(7.9)	4.9	1,133.2	2,041.7

Condensed consolidated statement of changes in equity (continued)

£m	Share capital	Share premium	Cash flow hedge reserve	Merger reserve	Revaluation reserve	Own shares	Foreign exchange	Capital redemption reserve	Retained earnings	Total equity
At 1 January 2024 (audited)	23.8	545.6	2.9	326.5	10.8	(14.1)	8.4	1.4	1,135.0	2,040.3
Loss for the year	-	-	-	-	-	-	-	-	(77.4)	(77.4)
Other comprehensive income for the year net of tax	-	-	0.3	-	-	-	(2.3)	-	25.6	23.6
Total comprehensive loss for the year	-	-	0.3	-	-	-	(2.3)	-	(51.8)	(53.8)
Dividends paid	-	-	-	-	-	-	-	-	(23.2)	(23.2)
Adjustments in respect of revalued fixed assets	-	-	-	-	(1.3)	-	-	-	1.5	0.2
Sale of own shares	-	-	-	-	-	0.1	-	-	-	0.1
Own shares movement	-	-	-	-	-	6.8	-	-	(6.8)	-
Exercise of options over non-controlling interest	-	-	-	-	-	-	-	-	(1.2)	(1.2)
Equity-settled share-based payments	-	-	-	-	-	-	-	-	11.7	11.7
Reclassification	-	-	(0.7)	-	-	-	-	-	0.7	-
At 31 December 2024 (audited)	23.8	545.6	2.5	326.5	9.5	(7.2)	6.1	1.4	1,065.9	1,974.1

Condensed consolidated cash flow statement

£m	**Six months ended 30 June 2025 (unaudited)**	Six months ended 30 June 2024 (unaudited) (re-presented)	Year ended 31 December 2024 (audited)
Cash flows from operating activities			
Operating profit	**59.2**	47.7	2.3

Adjustments for:			
Depreciation of property, plant and equipment	34.2	40.1	79.8
Depreciation of right-of-use assets	44.7	47.1	96.8
Amortisation of other intangibles	2.0	2.6	3.6
Amortisation of acquisition-related intangibles	5.2	5.2	10.4
Share-based payments	2.9	5.9	11.7
Gains on disposal of property, plant and equipment	(1.0)	(2.7)	(11.3)
Purchase of tool hire assets	(5.9)	(3.9)	(3.8)
(Increase) / decrease in inventories	(3.9)	55.7	63.6
Increase in receivables	(8.8)	(57.3)	(76.1)
Increase in payables	83.6	54.0	18.0
Adjusting item payments (greater than) / less than the charge	(2.0)	19.4	119.2
Cash generated from operations	**210.2**	213.8	314.2
Interest paid and debt arrangement fees	(15.9)	(16.0)	(25.3)
Interest on lease liabilities	(14.9)	(14.6)	(29.6)
Income taxes paid	(16.7)	(20.8)	(20.9)
Net cash inflow from continuing operating activities	**162.7**	162.4	238.4
Net cash outflow from discontinued operating activities	(5.8)	(7.3)	(15.9)
Net cash inflow from operating activities	**156.9**	155.1	222.5
Cash flows from investing activities			
Interest received	3.1	2.4	5.8
Proceeds on disposal of property, plant and equipment	9.9	18.5	63.0
Purchase and development of freehold land and buildings	(13.2)	(10.0)	(12.3)
Purchase of property, plant and equipment	(25.2)	(22.4)	(55.8)
Purchase and development of software	-	(2.9)	(4.1)
Proceeds on sale of subsidiary	23.7	-	-
Net cash outflow from continuing investing activities	**(1.7)**	(14.4)	(3.4)
Net cash inflow from discontinued investing activities	-	0.1	-
Net cash outflow from investing activities	**(1.7)**	(14.3)	(3.4)
Cash flows from financing activities			
Sale of own shares	-	0.1	0.1
Repayment of lease liabilities	(45.9)	(45.8)	(93.8)
Dividends paid	(19.1)	(11.6)	(23.2)
Debt arrangement fees	(0.6)	-	-
Proceeds from borrowings	125.1	-	-
Repayment of bonds	(123.7)	-	-
Net cash outflow from continuing financing activities	(64.2)	(57.3)	(116.9)
Net cash outflow from discontinued financing activities	(2.9)	(1.4)	(2.5)
Net cash outflow from financing activities	**(67.1)**	(58.7)	(119.4)
Net increase / (decrease) in cash and cash equivalents	**88.1**	82.1	99.7
Cash and cash equivalents at the beginning of the period	231.2	131.5	131.5
Cash and cash equivalents at the end of the period	319.3	213.6	231.2

Notes to the interim financial statements

1. General information and accounting policies

The interim financial statements have been prepared on the historical cost basis, except that certain financial instruments including derivative instruments and plan assets of defined benefit pension schemes are stated at their fair value. The condensed interim financial statements include the accounts of the Company and all its subsidiaries ("the Group").

Basis of preparation

The financial information for the six months ended 30 June 2025 and 30 June 2024 is unaudited. The June 2025 information has been reviewed by Deloitte LLP, the Group's auditor, and a copy of their review report appears on pages 35 and 36 of this interim report. The June 2024 information was reviewed by KPMG LLP.

The financial information for the year ended 31 December 2024 does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2024, as prepared in accordance with UK-adopted international accounting standards, has been delivered to the Registrar of Companies. The auditor's, KPMG LLP, report on those accounts was not qualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The unaudited interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 - Interim Financial Reporting, as adopted for use in the UK, and have been prepared on the basis of IFRS.

The annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards. As required by the Disclosure and Transparency Rules of the Financial Conduct Authority, the condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's published consolidated financial statements for the year ended 31 December 2024. The 2024 full-year financial statements are available on the Travis Perkins website (www.travisperkinsplc.co.uk).

The Directors are currently of the opinion that the Group's forecasts and projections show that the Group should be able to operate within its current facilities and comply with its banking covenants. The Group is however exposed to a number of significant risks and uncertainties, which could affect the Group's ability to meet management's projections.

The Directors believe that the Group has the flexibility to react to changing market conditions and is adequately placed to manage its business risks successfully. The Group has undertaken a detailed going concern assessment, reviewing its current and projected financial performance and position, including current assets and liabilities, debt maturity profile including a modelled repayment of the £125m bond due in February 2026, future commitments and forecast cash flows. The downside scenarios tested, outlining the impact of severe but plausible adverse scenarios based on a severe recession and housing market weakness, show that there is sufficient headroom for liquidity and covenant compliance purposes for at least the next 12 months from the date of approval of these financial statements. For this reason the interim financial statements have been prepared on a going concern basis.

Critical accounting judgements and key sources of estimation uncertainty

The critical accounting judgements and key sources of estimation uncertainty for the period ended 30 June 2025 are listed below. They are aligned to those disclosed in the Annual Report and Accounts for year ended 31 December 2024, except that the classification of the Toolstation France business, which closed in 2024, as a discontinued operation is no longer considered to be a key judgement:

- Pension liability assumptions
- Impairment reviews for goodwill and for branch assets
- Deferred tax asset recognition in Toolstation Netherlands

Those listed above are Key sources of estimation uncertainty for the Group.

Notes to the interim financial statements

1. General information and accounting policies (continued)

New and amended standards adopted by the Group

There are no new or amended standards applicable for the current reporting period, except for the amendment to IAS 21 - Lack of Exchangeability. The impact of this amendment is not material to the Group's financial reporting.

2. Revenue

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024 (re-presented)	Year ended 31 December 2024
Sale of goods	**2,219.3**	2,263.8	4,439.9
Sale of services	**80.2**	84.8	167.5
	2,299.5	2,348.6	4,607.4

3. Adjusting items

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024 (re-presented)	Year ended 31 December 2024
Adjusting items			
Restructuring	**(3.2)**	23.9	37.0
Staircraft impairment and disposal	**2.2**	-	32.7
Branch impairments	**-**	-	62.7
Benchmarx branch closures	**-**	5.7	6.7

Net adjusting (credit) / charge	**(1.0)**	29.6	139.1

Adjusting items in the six-month period ended 30 June 2025 represent adjustments to amounts previously recognised as adjusting items, the loss on disposal of Staircraft and the underutilisation of redundancy provisions and gains on the early exit of leases associated with Toolstation France.

In 2024 the Group concluded a major restructuring of its support functions and supply chain, resulting in a charge of £37.0m. Impairment charges of £62.7m in respect of 209 Merchanting branches and £32.7m in respect of the Staircraft business were recognised. Closure costs of £6.7m were recognised in respect of the closure of 39 standalone Benchmarx branches.

4. Business segments

The operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker ("CODM"), which is considered to be the Board, to assess performance and allocate capital.

Both operating segments sell building materials to a wide range of customers, none of which are dominant, and operate predominantly in the United Kingdom.

Segment result represents the result of each segment without allocation of certain central costs, finance costs and tax. Adjusted segment result is the result of each segment before adjusting items and property profits. Unallocated segment assets and liabilities comprise financial instruments, current and deferred tax, cash, borrowings and pension scheme assets and liabilities.

4. Business segments (continued)

For the purposes of monitoring segment performance and allocating resources between segments, the group's leadership team monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of investments in associates, other financial assets (except for trade and other receivables) and tax assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments

a) Segment results

Six months ended 30 June 2025

£m	Merchanting	Toolstation	Unallocated	Consolidated
Revenue	1,881.5	418.0	-	**2,299.5**
Operating profit	60.2	15.3	(16.3)	**59.2**
Amortisation of acquired intangible assets	3.8	1.4	-	**5.2**
Adjusting items	0.7	(1.7)	-	**(1.0)**
Less property profits	(1.0)	-	-	**(1.0)**
Adjusted segment result	63.7	15.0	(16.3)	**62.4**
Adjusted segment margin	3.4%	3.6%	-	**2.7%**
Average capital employed	2,052.4	540.5	124.2	**2,717.1**

There has been no change in the basis of segmentation or in the basis of measurement of segment profit or loss in the period.

Six months ended 30 June 2024 (re-presented)

£m	Merchanting	Toolstation	Unallocated	Consolidated
Revenue	1,941.6	407.0	-	**2,348.6**
Operating profit	69.2	(3.8)	(17.7)	**47.7**
Amortisation of acquired intangible assets	3.8	1.4	-	**5.2**
Adjusting items	20.9	9.4	-	**30.3**
Less property profits	(2.7)	-	-	**(2.7)**
Adjusted segment result	91.2	7.0	(17.7)	**80.5**
Adjusted segment margin	4.7%	1.7%	-	**3.4%**
Average capital employed	2,148.3	601.0	105.4	**2,854.7**

Average capital employed	[illegible]	[illegible]	[illegible]	**[illegible]**

Year ended 31 December 2024

£m	Merchanting	Toolstation	Unallocated	Consolidated
Revenue	3,786.3	821.1	-	**4,607.4**
Operating profit	19.5	12.0	(29.2)	**2.3**
Amortisation of acquired intangible assets	7.6	2.8	-	**10.4**
Adjusting items	132.6	6.5	-	**139.1**
Less property profits	(11.3)	-	-	**(11.3)**
Adjusted segment result	148.4	21.3	(29.2)	**140.5**
Adjusted segment margin	3.9%	2.6%	-	**3.0%**
Average capital employed	2,232.5	564.3	12.4	**2,809.2**

Notes to the interim financial statements

4. Business segments (continued)

b) Segment assets and liabilities

£m	**Six months ended 30 June 2025**
Segment assets	
Merchanting	2,874.1
Toolstation	683.1
Unallocated	512.7
Total assets	**4,069.9**
Segment liabilities	
Merchanting	(1,256.6)
Toolstation	(366.7)
Unallocated	(452.1)
Total liabilities	**(2,075.4)**

5. Seasonality

The Group's trading operations when assessed on a half yearly basis are mainly unaffected by seasonal factors. In 2024 the period to 30 June accounted for 51.0% of the Group's annual revenue.

Notes to the interim financial statements

6. Net finance costs

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024 (re-presented)	Year ended 31 December 2024
Finance income			
Items in the nature of interest:			
Interest receivable	**3.0**	2.4	6.0
Other finance income and remeasurement:			
Pension scheme interest receivable	**3.2**	2.1	4.3
Gain on the repurchase of debt	**1.3**	-	-
Net gain on remeasurement of derivatives at fair value	**-**	0.6	0.8
	7.5	5.1	11.1
Finance costs			
Items in the nature of interest:			
Interest on lease liabilities - property	**(13.1)**	(13.5)	(26.5)
Interest on lease liabilities - equipment	**(1.8)**	(1.1)	(3.1)
Interest on bonds and other loans	**(11.6)**	(9.6)	(17.1)
Interest on bank facilities and overdrafts	**(0.9)**	(1.1)	(2.0)
Pension SPV and other interest	**-**	(0.6)	(1.8)
Other finance costs:			

Amortisation of issue costs of bank loans	**(0.9)**	(0.6)	(1.3)
Remeasurement:			
Net loss on remeasurement of foreign exchange	**-**	(0.4)	-
Net loss on remeasurement of derivatives at fair value	**(1.3)**	-	-
	(29.6)	(26.9)	(51.8)
Net finance costs	**(22.1)**	(21.8)	(40.7)

The Group's interest cover covenants are calculated using those items of finance income and finance cost that are in the nature of interest, including interest on lease liabilities. In the first half of 2025 these were £24.2m (2024 H1: £23.8m, 2024 FY: £44.5m).

Notes to the interim financial statements

7. Tax

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024	Year ended 31 December 2024
Current tax			
- current year	**10.9**	15.9	34.9
- prior year	**-**	-	0.6
Total current tax	**10.9**	15.9	35.5
Deferred tax			
- current year	**(0.2)**	(5.0)	(32.8)
- prior year	**-**	-	(0.5)
Total deferred tax	**(0.2)**	(5.0)	(33.3)
Total tax charge	**10.7**	10.9	2.2

Tax for the six-month period is charged at 29.1% (six months ended 30 June 2024 re-presented: 43.0%; year ended 31 December 2024: 5.7%), representing the best estimate of the average annual effective tax rate expected for the full year, applied to the pre-tax income of the six-month period.

For accounting periods beginning after 31 December 2024 the Group is required to comply with the OECD Pillar Two model rules which require the Group to pay a minimum level of tax on income arising in the jurisdictions in which it operates. The Group's current analysis of these rules and their application in jurisdictions relevant to the Group indicate that no material additional tax liability will arise. The Group has applied the mandatory temporary exception to the accounting for deferred taxes arising from the implementation of the Pillar Two model rules.

A deferred tax asset of £18.5m (2024: £17.2m) has been recognised in respect of trading losses in the Toolstation Netherlands business. The Group considers it is appropriate to recognise a deferred tax asset on unused trading losses in Toolstation Netherlands as forecasts, based on the existing Netherlands store network and the store maturity profile of Toolstation stores in the UK and the Netherlands, indicate that it is probable that the business will be able to fully utilise these losses against future profits within a measurable time frame. Recognition of the deferred tax asset relating to the trading losses in the Toolstation Netherlands business is a judgemental area that is sensitive to changes to the business. The continued recognition will therefore be reviewed on a regular basis to ensure that it remains appropriate to do so.

Notes to the interim financial statements

8. Retirement benefit obligations

(a) Defined benefit pension schemes

The Group has a number of historical defined benefit pension schemes, all of which are closed to new members and future accruals. The Group operates four final salary schemes being The Travis Perkins Pensions and Dependants' Benefit Scheme ("the TP DB scheme"), the BSS Defined Benefit Scheme ("the BSS DB Scheme"), the immaterial Platinum pension scheme and the immaterial BSS Ireland Defined Benefit Scheme.

(b) Balance sheet position and movements during the year

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024	Year ended 31 December 2024
At 1 January gross pension asset	**116.9**	100.6	100.6
Amounts recognised in income:			

Current service costs and administration expenses	**(0.9)**	(1.5)	(3.1)
Net interest income	**3.2**	2.1	4.5
Other movements:			
Contributions from sponsoring companies	-	0.1	0.4
Foreign exchange	**(0.2)**	-	(0.1)
Withdrawal of assets	-	-	(23.2)
Balance sheet reclassifications	-	2.1	2.7
Amounts recognised in other comprehensive income:			
Return on plan assets (excluding amounts in net interest)	**(11.9)**	(56.6)	(98.4)
Actuarial loss arising from changes in demographic assumptions	-	-	(4.7)
Actuarial gain arising from changes in financial assumptions	**20.2**	65.1	100.4
Actuarial gain arising from experience adjustments	-	-	37.8
Gross pension asset	**127.3**	111.9	116.9
Deferred tax	**(31.9)**	(27.8)	(29.2)
Net pension asset	**95.4**	84.1	87.7

Notes to the interim financial statements

8. Retirement benefit obligations (continued)

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. In July 2024, the Court of Appeal dismissed the appeal brought by Virgin Media Ltd against aspects of the June 2023 decision. The conclusions reached by the court in this case may have implications for other UK defined benefit plans. The Company and pension trustees are currently considering the implications of the case for the TP DB Scheme and the BSS DB scheme. The defined benefit obligation has been calculated on the basis of the pension benefits currently being administered, and at this stage the directors do not consider it necessary to make any adjustments as a result of the Virgin Media case.

9. Share capital

	Allotted	
	No.	£m
Ordinary shares:		
At 30 June 2024, 31 December 2024 and 30 June 2025	**212,509,334**	**23.8**

10. Earnings per share

a) Basic and diluted earnings per share

	Six months ended 30 June 2025	Six months ended 30 June 2024 (re-presented)	Year ended 31 December 2024
Profit / (loss) attributable to the owners of the parent (£m)			
- from continuing operations	**26.4**	15.7	(40.6)
- from discontinued operations	-	(11.0)	(36.8)
Weighted average number of shares in issue	**211,529,410**	210,955,879	211,106,493
Dilutive effect of share options	1,365,411	3,434,047	3,794,915
Weighted average number of shares for diluted earnings per share	**212,894,821**	214,389,926	214,901,408
Earnings / (loss) per share			
- from continuing operations	**12.5p**	7.4p	(19.2)p
- from discontinued operations	**-**	(5.2)p	(17.4)p
- total	**12.5p**	2.2p	(36.6)p
Diluted earnings / (loss) per share			
- from continuing operations	**12.4p**	7.3p	(19.2)p
- from discontinued operations	**-**	(5.1)p	(17.4)p
- total	**12.4p**	2.2p	(36.6)p

10. Earnings per share (continued)

b) Adjusted earnings per share

Adjusted earnings per share are calculated by excluding the effects of the amortisation of acquired intangible assets, adjusting items and discontinued operations from earnings.

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024 (re-presented)	Year ended 31 December 2024
Profit / (loss) for the year	**26.4**	4.7	(77.4)
Adjusting items	**(1.0)**	29.6	139.1
Amortisation of acquired intangible assets	**5.2**	5.2	10.4
Tax on amortisation of acquired intangible assets	**(1.3)**	(1.3)	(2.6)
Tax on adjusting items	**(1.2)**	(7.2)	(29.0)
Loss from discontinued operations	**-**	11.0	36.8
Earnings for adjusted earnings per share	**28.1**	42.0	77.3
Adjusted earnings per share	**13.3p**	19.9p	36.6p
Adjusted diluted earnings per share	**13.2p**	19.6p	36.6p

11. Dividends

Distributions to equity shareholders of £19.1m have been recognised in the financial statements in the period (2024: £11.6m). An interim dividend of 4.5p is proposed in respect of the year ending 31 December 2025. It will be paid on 7 November 2025 to shareholders on the register at the close of business on 3 October 2025. The shares will be quoted ex-dividend on 2 October 2025.

The Company operates a Dividend Reinvestment Plan, elections for which must be received by the Company's registrar by 5.30pm on 17 October 2025.

12. Borrowings

At the period end, the Group had the following borrowing facilities available:

£m	**30 June 2025**	30 June 2024	31 December 2024
Drawn facilities:			
Sterling bond (due February 2026)	**125.0**	250.0	250.0
Senior unsecured notes 2025	**124.7**	-	-
Senior unsecured notes 2023	**100.0**	100.0	100.0
Term loan	**75.0**	75.0	75.0
	424.7	425.0	425.0
Undrawn facilities:			
5-year committed revolving credit facility	**375.0**	375.0	375.0
Bank overdraft	**15.0**	15.0	15.0
	390.0	390.0	390.0

The drawn facilities balances do not include finance charges netted off debt, which amounted to £3.0m as at 30 June 2025 (31 December 2024: £3.2m, 30 June 2024: £3.8m).

12. Borrowings (continued)

On 10 April 2025, the Group repurchased £125m of the £250m sterling bond due in February 2026 at a price of 98.964p per cent, leaving a principal amount outstanding of £125m. As part of the refinancing of the bond, on 13 March 2025 the Group issued £125m of US private placement notes with tenors of 3 years to 10 years and yields of 6.1% - 6.7% to a group of six investors with maturities between 2028 and 2035 at investment grade yields. These notes are subject to the same leverage and interest cover covenants as the Group's term loan, other senior unsecured notes and committed revolving credit facility.

The overdraft balance of £13.2m on 31 December 2024, which was presented as part of current liabilities, formed part of the Group's notional cash pool and its aggregate cash and cash equivalents position of

£231.2m. The Group's £15.0m overdraft facility and the Group's £375.0m revolving credit facility remained undrawn.

Cash and cash equivalents (which are presented as a single class of assets on the Condensed Consolidated Balance Sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less that are held for the purpose of meeting short-term cash commitments rather than for investment purposes.

13. Net debt

Net debt is defined as the sum of current and non-current debt, less cash and cash equivalents.

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024	Year ended 31 December 2024
Net debt at 1 January	**845.2**	922.0	922.0
Lease-related movements:			
Lease additions and disposals	**14.7**	73.9	143.5
Sale of business	**(16.3)**	-	-
Lease repayments	**(60.8)**	(60.4)	(123.4)
Discount unwind on lease liability	**14.9**	14.6	29.6
Other net debt movements:			
Other cash inflow	**(76.2)**	(68.4)	(82.4)
Financing cash flows including net interest	**(12.0)**	(13.6)	(19.5)
Loan settlement	-	-	(24.6)
Net debt at 30 June / 31 December	**709.5**	868.1	845.2

Notes to the interim financial statements

14. Financial risk management

The overall aim of the Group's financial risk management policies is to minimise potential adverse effects on financial performance and net assets. The Group manages the principal financial and treasury risks within a framework of policies and operating parameters reviewed and approved annually by the Board of Directors. The Group does not enter into speculative transactions.

Derivatives

During 2022 the Group obtained a 5-year term loan facility for £75m and at the same time entered into an equal interest rate swap arrangement to hedge the full variable component of the interest rate for the life of the instrument.

The £125m of US private placement notes issued in March 2025 included a dollar tranche of 40m on a 3-year term. The Group entered into a currency swap to mitigate the risk arising from movements in exchange rate.

The risk management objective is to hedge against the volatility of cash flows due to the variable interest rate and foreign exchange rate elements of the loan facilities. The swaps are derivatives measured at fair value and are designated in the hedging relationship in its entirety, therefore the hedging instruments are eligible for hedge accounting.

The Group's hedging reserve relates to the combined hedge instruments:

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024	Year ended 31 December 2024
At 1 January	2.5	2.2	2.2
Change in fair value of hedging instrument recognised in OCI	2.0	1.1	0.4
Deferred tax recognised in OCI	(0.3)	(0.3)	(0.1)
At 30 June / 31 December	4.2	3.0	2.5

Interest rate swaps currently in place cover 100% of the loan principal outstanding. The fixed interest rate of the swap is 2.673%. The interest rate of the term loan consists of a variable element based on the Sterling Overnight Index Average ("SONIA") and a margin between 1.8% and 2.4%. The swap contracts require settlement of the net interest receivable or payable every 6 months and coincides with the dates on which payment is due on the underlying term loan.

The effects of the interest rate swaps of the Group's financial position and performance are as follows:

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024	Year ended 31 December 2024
Carrying amount (non-current assets)	1.9	4.0	3.3
Notional amount	75.0	75.0	75.0
Maturity date	15 August 2027	15 August 2027	15 August 2027
Hedge ratio	1:1	1:1	1:1
Change in fair value of hedging instruments	(1.4)	1.1	0.4
Weighted average hedged rate for the year	4.4%	5.2%	5.1%

Currency swaps currently in place cover 100% of the principal outstanding. The Group swapped the USD 40m tranche of its 2025 H1 debt issuance for GBP 32m at the prevailing market rate on a term equal to the principal term. At each semi-annual interest date, interest at 6.07% is received in USD and interest of 6.06% is paid in GBP. The semi-annual interest dates on the swaps coincide with the dates on which interest payments are due on the underlying facility.

Notes to the interim financial statements

14. Financial risk management (continued)

The effects of the exchange rate swaps on the Group's financial position and performance are as follows:

£m	**Six months ended 30 June 2025**
Carrying amount (non-current assets)	2.7
Notional amount ( )	40.0
Maturity date	13 March 2028
Hedge ratio	1:1
Change in fair value of hedging instruments	2.7
Weighted average hedged rate for the year	1.3

The following amounts were recognised in the Group's profit and loss:

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024	Year ended 31 December 2024
Net (loss) / gain on foreign currency forwards not qualifying as hedges included in other gains / (losses)	(1.3)	0.6	0.8

15. Financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- Foreign currency forward contracts are measured using quoted forward exchange rates.
- Interest rate swaps are measured at the present value of future cash flows, estimated and discounted based on the applicable yield curves derived from quoted interest rates.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

There were no transfers between levels during the year. There are no non-recurring fair value measurements.

Notes to the interim financial statements

15. Financial instruments (continued)

£m	**30 June 2025**	30 June 2024	31 December 2024
Included in non-current assets			
Level 2 - Interest rate swap and currency swaps	**4.5**	4.0	3.3
Included in current assets			
Level 2 - Foreign currency forward contracts at fair value through profit and loss	**-**	0.2	0.5
	4.5	4.2	3.8
Included in current liabilities			

Level 2 - Foreign currency forward contracts at fair value through profit and loss	**0.9**	-	-
	0.9	-	-

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are approximately their carrying amounts.

16. Related party transactions

The Group has related party relationships with its subsidiaries and with its Directors. Transactions between Group companies, which are related parties, have been eliminated on consolidation and are not disclosed in this note. There have been no related party transactions with Directors other than in respect of remuneration.

17. Disposal of business

The Staircraft business was sold on 30 April 2025 for provisional cash consideration of £23.7m. As this business did not represent a separate major line of business or geographical area of operations, it has not been presented as a discontinued operation in the income statement. A loss has been recognised on the sale of the business of £0.8m. The revenue of £24.9m and adjusted operating profit of £0.5m in the period to 30 April 2025 are presented in the Group's financial statements as part of the Merchanting segment.

Notes to the interim financial statements

18. Non-statutory information

Alternative performance measures ("APMs") are used to describe the Group's performance. These are not recognised under IFRS or other generally accepted accounting principles. The Board focuses on these measures when assessing ongoing trading and they facilitate meaningful year-on-year comparisons and hence provide useful information to shareholders. APMs are defined in this note and reconciled to the closest GAAP measure.

a) Adjusted operating profit

Adjusted operating profit is calculated by excluding the effects of amortisation of acquired intangible assets and adjusting items from operating profit.

£m	**Six months ended 30 June 2025**	Six months ended 30 June 2024 (re-presented)	Year ended 31 December 2024
Operating profit	**59.2**	47.7	2.3
Amortisation of acquired intangible assets	**5.2**	5.2	10.4
Adjusting items	**(1.0)**	30.3	139.1
Adjusted operating profit	**63.4**	83.2	151.8

b) Net debt to adjusted EBITDA (rolling 12 months)

Net debt to adjusted EBITDA is defined as the ratio of net debt (note 13) to earnings before interest, tax, depreciation, amortisation and adjusting items ("adjusted EBITDA") and is used in one of the Group's debt covenants.

£m	**30 June 2025**	30 June 2024	31 December 2024
Operating profit	**13.1**	40.7	2.3
Depreciation and amortisation	**180.5**	191.3	190.5
Adjusting items	**108.5**	92.2	139.1
Adjusted EBITDA	**302.1**	324.2	331.9
Net debt (note 13)	**709.5**	868.1	845.2
Net debt to adjusted EBITDA (rolling 12 months)	**2.3x**	2.7x	2.5x

In accordance with the Group's debt covenant definitions, the comparative period ended 30 June 2024 has not been re-presented for this APM to exclude the result of the Toolstation France business.

Notes to the interim financial statements

18. Non-statutory information (continued)

c) Free cash flow

Free cash flow is defined as net cash flow before dividends, freehold property purchases and disposals, pension deficit repair contributions, adjusting and discontinued cash flows and the issuance and repayment of debt.

	Six months ended	Six months ended	Year ended 31 December 2024

£m	**30 June 2025**	30 June 2024 (re-presented)	
Adjusted operating profit	**63.4**	83.2	151.8
Less: profit on disposal of properties	**(1.0)**	(2.7)	(11.3)
Adjusted operating profit excluding property profit	**62.4**	80.5	140.5
Depreciation of property, plant and equipment	**34.2**	40.1	79.8
Amortisation of internally generated intangibles	**2.0**	2.6	3.6
Share-based payments	**2.9**	5.9	11.7
Movement on working capital	**70.9**	52.5	5.5
Other net interest paid	**(12.8)**	(13.6)	(19.5)
Interest on lease liabilities	**(14.9)**	(14.6)	(29.6)
Income tax paid	**(16.7)**	(20.8)	(20.9)
Capital expenditure excluding freehold purchases	**(31.1)**	(29.2)	(63.8)
Disposal of plant and equipment	**0.2**	0.6	1.2
Free cash flow	**97.1**	104.0	108.5

d) Capital ratios

i) Average capital employed (rolling 12 months)

£m	**30 June 2025**	30 June 2024	31 December 2024
Opening net assets	**2,041.7**	2,109.1	2,040.30
Net pension asset	**(84.1)**	(99.7)	(75.5)
Net borrowings	**868.1**	874.1	922.0
Opening capital employed	**2,825.7**	2,883.5	2,886.8
Closing net assets	**1,994.5**	2,041.7	1,974.1
Net pension asset	**(95.4)**	(84.1)	(87.7)
Net borrowings	**709.5**	868.1	845.2
Closing capital employed	**2,608.7**	2,825.7	2,731.6
Average capital employed	**2,717.2**	2,854.6	2,809.2

Notes to the interim financial statements

18. Non-statutory information (continued)

d) Capital ratios

ii) Return on capital employed

£m	**30 June 2025**	30 June 2024 (re-presented)	31 December 2024
Adjusted operating profit (rolling 12 months)	**132.0**	160.2	151.8
Average capital employed	**2,717.2**	2,854.6	2,809.2
Return on capital employed	**4.9%**	5.6%	5.4%

e) Like-for-like sales

£m	Merchanting	Toolstation	**Total**
2024 H1 revenue	1,941.6	407.0	**2,348.6**
Network change	(10.4)	(4.5)	**(14.9)**
Trading days	(18.9)	(2.1)	**(21.0)**
2024 H1 like-for-like revenue	**1,912.3**	**400.4**	**2,312.7**
Like-for-like change	(39.4)	11.4	**(28.0)**
2025 H1 revenue	1,881.5	418.0	**2,299.5**
Network change	(8.6)	(6.2)	**(14.8)**
2025 H1 like-for-like revenue	**1,872.9**	**411.8**	**2,284.7**
Like-for-like revenue %	**(2.1)%**	**2.9%**	**(1.2)%**

Like-for-like sales are a measure of underlying sales performance for two successive periods. Branches and

Like-for-like sales are a measure of underlying sales performance for two successive periods. Branches and stores contribute to like-for-like sales once they have been trading for more than 12 months. Revenue included in like-for-like sales is for the equivalent times in both years being compared. When branches close, revenue is excluded from the prior year figures for the months equivalent to the post-closure period in the current year.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 - Interim Financial Reporting, as adopted for use in the UK;
- The Interim Management Report includes a fair review of the information required by:
  (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Geoff Drabble	Duncan Cooper
Chair	Chief Financial Officer
4 August 2025	4 August 2025

INDEPENDENT REVIEW REPORT TO TRAVIS PERKINS PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement and related notes 1 to 18.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
Abbots House
Abbey Street
Reading
RG1 3BD

4 August 2025

END

IR FLFLTTDISIIE